

2012 Miami County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Miami County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Miami County the average tax bill for all taxpayers increased 3.7%. The tax levy of all local government units rose 3.1%, but the tax bill increase was mainly the result of a drop in local homestead tax credits. Miami County certified net assessed value increased 2.8%, mostly due to rising farmland assessments. A levy increase similar to net assessment growth caused a mixture of rising and falling tax rates in Miami County tax districts. These rate changes, along with changes in local property tax credits left tax cap credits as a percent of the levy almost unchanged.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	3.7%	\$23,098,864	\$997,216,437	8.2%
Change		3.1%	2.8%	0.0%
2011	2.0%	\$22,402,144	\$970,068,941	8.2%

Homestead Property Taxes

Homestead property taxes increased 40.4% on average in Miami County in 2012. The main reason for this increase was changes in local property tax credits. One of three homestead credits was eliminated, and the residential credit was increased, which allocated less tax relief to homesteads. Miami County's local homestead credits are still so high and homestead tax bills so low that only six homesteads in the county were eligible for tax cap credits. The county average tax rate was almost unchanged, rising 0.3%. Tax rates rose in half of Miami County's taxing districts, and fell in the other half.

Comparable Homestead Property Tax Changes in Miami County

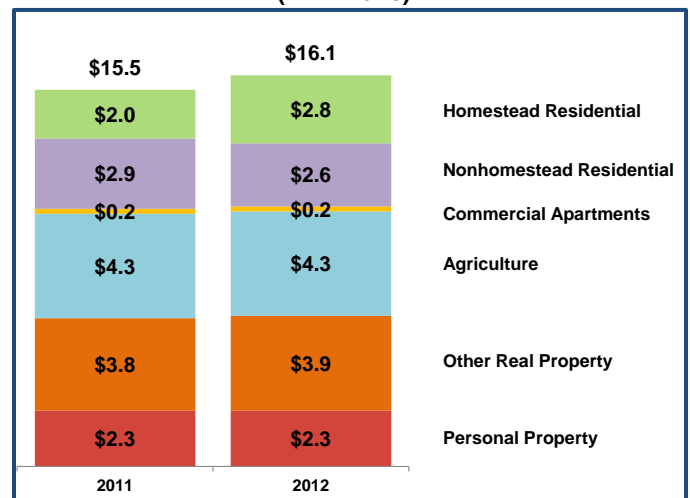
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	7,649	81.6%
No Change	1,009	10.8%
Lower Tax Bill	716	7.6%
Average Change in Tax Bill	40.4%	
Detailed Change in Tax Bill		
20% or More	6,366	67.9%
10% to 19%	596	6.4%
1% to 9%	687	7.3%
0%	1,009	10.8%
-1% to -9%	252	2.7%
-10% to -19%	121	1.3%
-20% or More	343	3.7%
Total	9,374	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

The largest part of Miami County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal) and by owners of agricultural property. Net tax bills for all taxpayers increased 3.7% in Miami County in 2012. Net taxes were lower for commercial apartments and nonhomestead residential (mostly small rentals and second homes) and slightly lower for personal property. Net taxes were higher for homesteads, agricultural property, and other real property. The increase for homeowners and decreases for apartments and nonhomestead residential were caused by the changes in the distribution of property tax credits.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates rose in half and fell in the other half of Miami County's tax districts. The average tax rate was nearly unchanged, rising 0.3%. The increase in the levy slightly exceeded the rise in certified net assessed values.

Levies in Miami County increased by 3.1%. The largest levy increase was in Peru Community School Corporation, which had significant increases in its debt service and transportation funds. North Miami Consolidated School Corporation had a large decrease in its bus replacement fund.

Miami County's total net assessed value increased 1.7% in 2012. Agricultural net assessments rose 10.4%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments fell 1.9%, led by drops in homestead and other residential assessments. This decline may be a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$840,414,443	\$827,064,360	-1.6%	\$272,548,866	\$263,658,158	-3.3%
Other Residential	168,383,040	161,981,110	-3.8%	165,240,621	158,903,388	-3.8%
Ag Business/Land	289,193,200	320,913,000	11.0%	288,084,354	318,127,328	10.4%
Business Real/Personal	314,926,377	315,660,964	0.2%	264,910,417	266,887,661	0.7%
Total	\$1,612,917,060	\$1,625,619,434	0.8%	\$990,784,258	\$1,007,576,535	1.7%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Miami County were \$1.9 million, or 8.2% of the levy. This was less than the state average percentage of the levy of 9.2%, but more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Miami County's tax rates were a little less than the state average, but higher than the state median.

More than half of the total tax cap credits were in the 3% business real and personal category, and almost all of the rest were in the 2% nonhomestead/farmland category. Miami County saw hardly any tax cap credits in the 1% homestead category, because of its large local homestead credits. The largest percentage losses were in the Peru city, township, library district and school corporation, where district tax rates exceeded \$4 per \$100 assessed value. The largest dollar losses were in the city of Peru, the Peru School Corporation, and the county unit.

Tax Cap Credits by Category

Tax cap credits increased slightly in Miami County in 2012 by \$58,025, or 3.1%. The percentage of the levy lost to credits did not change, remaining at 8.2%. The rearrangement of local credits had the biggest effect on tax cap credits. The qualified residential credit was increased, and this reduced the tax bills and tax cap credits of the nonhomestead residential property in the 2% category. The local property tax replacement credit decreased, which accounts for the rise in tax cap credits in the 3% business category. Local homestead credit rates declined, but not enough to increase tax cap credits in the 1% category by very much. There were no major changes in state policy to affect tax cap credits in 2012.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$516	\$707	\$190	36.9%
2%	973,661	717,310	-256,350	-26.3%
3%	865,902	1,166,578	300,677	34.7%
Elderly	11,695	25,204	13,509	115.5%
Total	\$1,851,774	\$1,909,799	\$58,025	3.1%
% of Levy	8.2%	8.2%		0.0%

Miami County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2008	2009	2010	2011	2012	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	35,170,602	22,243,438	23,584,392	22,402,144	23,098,864	-36.8%	6.0%	-5.0%	3.1%
State Unit	29,346	0	0	0	0	-100.0%			
Miami County	7,700,961	5,369,432	5,738,100	5,906,751	5,906,512	-30.3%	6.9%	2.9%	0.0%
Allen Township	15,426	15,832	28,162	23,679	25,014	2.6%	77.9%	-15.9%	5.6%
Butler Township	12,350	12,826	13,300	13,202	14,092	3.9%	3.7%	-0.7%	6.7%
Clay Township	18,791	19,691	20,402	20,916	21,553	4.8%	3.6%	2.5%	3.0%
Deer Creek Township	21,374	22,619	23,451	24,084	21,259	5.8%	3.7%	2.7%	-11.7%
Erie Township	14,516	15,041	15,619	16,015	16,517	3.6%	3.8%	2.5%	3.1%
Harrison Township	15,669	16,294	7,846	12,676	12,677	4.0%	-51.8%	61.6%	0.0%
Jackson Township	28,685	30,248	31,378	31,031	33,151	5.4%	3.7%	-1.1%	6.8%
Jefferson Township	38,539	40,898	42,412	43,488	43,484	6.1%	3.7%	2.5%	0.0%
Perry Township	23,262	24,908	25,792	26,446	27,292	7.1%	3.5%	2.5%	3.2%
Peru Township	112,522	119,125	123,489	126,635	130,247	5.9%	3.7%	2.5%	2.9%
Pipe Creek Township	41,637	44,006	46,375	47,450	19,474	5.7%	5.4%	2.3%	-59.0%
Richland Township	16,016	17,054	17,703	18,156	18,675	6.5%	3.8%	2.6%	2.9%
Union Townshp	17,835	19,392	20,114	20,618	21,287	8.7%	3.7%	2.5%	3.2%
Washington Township	52,899	54,973	57,055	51,742	60,338	3.9%	3.8%	-9.3%	16.6%
Peru Civil City	5,974,014	5,846,332	6,010,782	5,926,796	6,058,574	-2.1%	2.8%	-1.4%	2.2%
Amboy Civil Town	35,950	33,100	33,100	32,981	33,097	-7.9%	0.0%	-0.4%	0.4%
Bunker Hill Civil Town	174,411	181,664	187,884	187,296	187,854	4.2%	3.4%	-0.3%	0.3%
Converse Civil Town	224,728	200,784	221,656	226,894	222,589	-10.7%	10.4%	2.4%	-1.9%
Denver Civil Town	17,805	4,361	20,102	18,685	19,091	-75.5%	360.9%	-7.0%	2.2%
Macy Civil Town	13,761	14,585	14,584	15,250	15,734	6.0%	0.0%	4.6%	3.2%
Maconaquah School Corp	7,330,606	3,393,344	3,072,154	3,158,518	3,365,437	-53.7%	-9.5%	2.8%	6.6%
North Miami Consolidated School Corp	4,132,642	2,009,099	2,291,244	2,112,984	1,816,529	-51.4%	14.0%	-7.8%	-14.0%
Oak Hill United School Corp	1,359,588	842,063	813,417	819,967	866,767	-38.1%	-3.4%	0.8%	5.7%
Peru Community School Corp	7,334,594	3,488,102	4,281,282	3,081,490	3,691,051	-52.4%	22.7%	-28.0%	19.8%
Converse Public Library	67,923	70,605	73,371	75,470	77,523	3.9%	3.9%	2.9%	2.7%
Peru Public Library	333,845	334,264	353,618	362,924	373,046	0.1%	5.8%	2.6%	2.8%
Miami County Solid Waste Management Dist	0	0	0	0	0				
Converse Redevelopment Commission	10,907	2,796	0	0	0	-74.4%	-100.0%		
Miami County Redevelopment (Grissom)	0	0	0	0	0				

Miami County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
52001	Allen Township	1.4130	9.5145%	3.9008%	50.8551%	--	--	24.6526%	0.1565
52002	Macy Town	2.1141	9.5145%	3.9008%	6.9303%	--	--	24.6526%	1.1628
52003	Butler Township	1.5369	9.5145%	3.9008%	15.6907%	--	--	24.6526%	0.7107
52004	Clay Township	1.5525	9.5145%	3.9008%	21.5979%	--	--	24.6526%	0.6262
52005	Deer Creek Township	1.5424	9.5145%	3.9008%	10.4863%	--	--	24.6526%	0.7935
52006	Erie Township	1.8220	9.5145%	3.9008%	2.8750%	--	--	24.6526%	1.0760
52007	Harrison Township	1.5367	9.5145%	3.9008%	19.6516%	--	--	24.6526%	0.6497
52009	Jackson Township	2.1525	9.5145%	3.9008%	55.8533%	--	--	24.6526%	0.1308
52010	Amboy Town	2.6561	9.5145%	3.9008%	14.2415%	--	--	24.6526%	1.2667
52011	Converse Town	3.8193	9.5145%	3.9008%	20.1670%	--	--	24.6526%	1.5951
52012	Jefferson Township	1.3923	9.5145%	3.9008%	7.3906%	--	--	24.6526%	0.7594
52013	Denver Town	1.6362	9.5145%	3.9008%	2.2005%	--	--	24.6526%	0.9773
52014	Perry Township	1.3770	9.5145%	3.9008%	32.6252%	--	--	24.6526%	0.4036
52015	Peru Township	2.6820	9.5145%	3.9008%	15.3973%	--	--	24.6526%	1.2481
52016	Peru City-Peru Township	4.3832	9.5145%	3.9008%	24.6714%	--	--	24.6526%	1.6332
52017	Pipe Creek Township	1.5197	9.5145%	3.9008%	27.5871%	--	--	24.6526%	0.5219
52018	Bunker Hill Town	3.2406	9.5145%	3.9008%	1.2793%	--	--	24.6526%	1.9655
52019	Richland Township	1.3656	9.5145%	3.9008%	3.8941%	--	--	24.6526%	0.7926
52020	Union Township	1.3959	9.5145%	3.9008%	4.6731%	--	--	24.6526%	0.7993
52021	Washington Township	1.5876	9.5145%	3.9008%	20.9163%	--	--	24.6526%	0.6512
52022	Peru City-Annex-Washington Twp	4.1298	9.5145%	3.9008%	0.0032%	--	--	24.6526%	2.5575
52023	Peru City South-Washington Twp	4.3766	9.5145%	3.9008%	4.4034%	--	--	24.6526%	2.5178

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Miami County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	707	715,576	1,151,983	25,204	1,893,470	23,098,864	8.2%
<i>TIF Total</i>	0	1,734	14,595	0	16,330	277,771	5.9%
<i>County Total</i>	707	717,310	1,166,578	25,204	1,909,799	23,376,635	8.2%
Miami County	108	103,087	156,218	7,210	266,624	5,906,512	4.5%
Allen Township	0	0	0	2	2	25,014	0.0%
Butler Township	0	0	0	5	5	14,092	0.0%
Clay Township	0	0	0	21	21	21,553	0.1%
Deer Creek Township	0	0	0	23	23	21,259	0.1%
Erie Township	0	0	0	21	21	16,517	0.1%
Harrison Township	0	0	0	5	5	12,677	0.0%
Jackson Township	0	151	163	40	354	33,151	1.1%
Jefferson Township	0	0	0	208	208	43,484	0.5%
Perry Township	0	0	0	11	11	27,292	0.0%
Peru Township	0	6,633	11,594	101	18,329	130,247	14.1%
Pipe Creek Township	1	44	0	26	71	19,474	0.4%
Richland Township	0	0	0	29	29	18,675	0.2%
Union Township	0	0	0	6	6	21,287	0.0%
Washington Township	5	1,033	517	67	1,621	60,338	2.7%
Peru Civil City	276	363,564	622,018	4,460	990,317	6,058,574	16.3%
Amboy Civil Town	0	31	0	198	229	33,097	0.7%
Bunker Hill Civil Town	119	4,814	0	331	5,263	187,854	2.8%
Converse Civil Town	0	10,131	11,041	526	21,699	222,589	9.7%
Denver Civil Town	0	0	0	116	116	19,091	0.6%
Macy Civil Town	0	0	0	31	31	15,734	0.2%
North Grove Civil Town	0	0	0	0	0	0	
Maconaquah School Corp	120	4,766	1,285	3,443	9,613	3,365,437	0.3%
North Miami Consolidated School Corp	0	0	0	3,482	3,482	1,816,529	0.2%
Oak Hill United School Corp	0	8,232	8,886	1,409	18,527	866,767	2.1%
Peru Community School Corp	59	188,631	296,423	3,068	488,180	3,691,051	13.2%
Converse Public Library	0	736	795	126	1,657	77,523	2.1%
Peru Public Library	19	23,724	43,042	240	67,025	373,046	18.0%
Miami County Solid Waste Management Dist	0	0	0	0	0	0	
Converse Redevelopment Commission	0	0	0	0	0	0	
Miami County Redevelopment (Grissom)	0	0	0	0	0	0	
TIF - Converse Downtown TIF 001	0	1,734	14,595	0	16,330	134,433	12.1%
TIF - Grissom TIF Dist 017	0	0	0	0	0	143,338	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.